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February 22, 2008

VIA FACSIMILE

Hon. Victor Marrero
United States Courthouse
500 Pearl Street
New York, NY 10007

**Re: Wausau Underwriters Ins. Co. et al. v. QBE Ins. Corp., et al.
Civil Action No. 06 Civ. 3212 (VM)**

Dear Judge Marrero:

Our firm represents plaintiffs WAUSAU UNDERWRITERS INSURANCE COMPANY and AXIS SPECIALTY INSURANCE COMPANY in the above-entitled action. I write per your Honor's directive to provide a status update of the settlement of this matter.

As I indicated last week, we need more time to work on the settlement of this matter. We have not reached a final settlement yet, but the parties are working toward it. We respectfully ask for another three (3) weeks to attempt to resolve this matter.

We do note that any proposed settlement would involve an agreed Stipulation of Settlement to be "so ordered" by the Court, which will address the parties respective future obligations, and not a discontinuance.

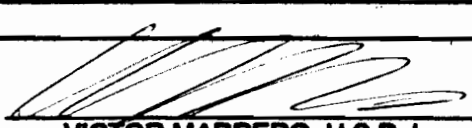
Respectfully submitted,



Marshall T. Potashner (MTP-3552)

MTP:mp

cc: Robert Hille, Esq. (via fax)
Andrew Mihalick (via fax)

<i>Request GRANTED. The time for the parties to advise the court of the status of settlement discussions in this action is extended to 3-14-08</i>	
SO ORDERED:	
<i>2-22-08</i>	
DATE	VICTOR MARRERO, U.S.D.J.